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Report

drawn up on behalf of the Committee on Development and Cooperation

on the proposal from the Commission of the European Communities to the Council (Doc. 437/76) for a Regulation amending the list of the countries and territories in Annex I of Regulation No. 706/76 on the arrangements applicable to agricultural products and certain foods resulting from the processing of agricultural products originating in the African, Caribbean and Pacific States or in the Overseas Countries and Territories

Rapporteur: Miss C. FLESCH

PE 46.649/fin.

By letter of 26 November 1976 the President of the Council of the European Communities requested the European Parliament, pursuant to Article 43 of the EEC Treaty, to deliver an opinion on the proposal from the Commission of the European Communities to the Council on the proposal for a Council Regulation amending the list of the countries and territories in Regulation No. 706/76 on the arrangements applicable to agricultural products and certain goods resulting from the processing of agricultural products originating in the African, Caribbean and Pacific States or in the Overseas Countries and Territories.

The President of the European Parliament referred this proposal to the Committee on Development and Cooperation as the committee responsible and to the Committee on Agriculture and the Committee on Budgets for their opinions.

On 24 November 1976 the Committee on Development and Cooperation appointed Miss Flesch rapporteur.

The committee considered the proposal at its meeting of 24 November 1976.

At the same meeting the committee unanimously adopted the motion for a resolution and the explanatory statement.

Present: Miss Flesch, chairman and rapporteur; Mrs Walz, Mr Lagorce, Mr Sandri, vice-chairmen; Mr Bersani, Mr Deschamps, Mr Espersen, Mr Flämig, Sir Geoffrey de Freitas, Mrs Kruchow (deputizing for Mr B. Nielsen), Lord St. Oswald and Mr Walkhoff.

The opinions of the Committee on Agriculture and the Committee on Budgets are attached to this report.

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The Committee on Development and Cooperation hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement:

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the proposal of the Commission of the European Communities for a regulation amending the list of the countries and territories in Regulation No. 706/76 on the arrangements applicable to agricultural products and certain goods resulting from the processing of agricultural products originating in the African, Caribbean and Pacific States or in the Overseas Countries and Territories

The European Parliament,

- having regard to the communication from the Commission to the Council (COM(76) 541 final),
 - having been consulted by the Council (Doc. 437/76),
 - having regard to the report of the Committee on Development and Cooperation and the opinions of the Committee on Agriculture and the Committee on Budgets (Doc. 447/76),
1. Approves the Commission's proposal,
 2. Welcomes the Republic of Surinam, the Republic of Seychelles and the Comoro State as new members of the Lomé Convention and hopes that transition arrangements will proceed smoothly in order to enable them to benefit fully from the provisions of the Convention.

EXPLANATORY STATEMENT

1. According to Article 89 of the Convention of Lomé, any request for accession to the Convention by an overseas country or territory which becomes independent is referred to the ACP-EEC Council of Ministers. If the request is approved, the country in question accedes to the Convention by depositing an instrument of accession with the Secretariat of the Council of the European Communities.
2. Requests for accession by the Republic of Surinam, the Republic of Seychelles and the Comoro State were approved by the ACP-EEC Council of Ministers at its meeting on 14 July 1976.
3. These states deposited instruments of accession with the General Secretariat of the Council and acceded to the Lomé Convention on 16 July, 27 August and 13 September 1976 respectively.
4. The proposal on which Parliament is consulted is one of a number contained in the Commission's communication to the Council (COM(76) 541 final) relating to the accession of these former OCT to the ACP/EEC Convention of Lomé. These measures are concerned with the adjustments that are necessary as a result of the change of status of the countries concerned from former OCT to ACP members.
5. The particular one on which Parliament is consulted concerns amendments as regards the list of the countries and territories in Annex I Regulation No.706/76 on the arrangements applicable to agricultural products and certain goods resulting from the processing of agricultural products originating in the African, Caribbean and Pacific States or in the overseas countries and territories.
6. No particular comment is called for by this proposal, which simply provides for the deletion of the names of the countries concerned from a list of the OCT which appears in Annex I to Council Regulation (EEC) No.706/76 of 30 March 1976. As such, your committee approves this measure.
7. The other proposals in the Commission document also make provision for the change of status of these states.

8. They concern:

- (i) a proposal for a Council Decision adjusting the amounts made available to the European Development Fund (1975) for the ACP States on the one hand and the countries and territories and the French overseas departments on the other hand.

With regard to financial aid, a simple transfer has to be made from funds reserved for OCTs to the 'Lomé column'. The amount proposed, worked out on the basis of equitable distribution among the countries and territories, totals 31.9 million units of account. This amount comprises 25.3 million units of account in grants and 6.6 million units of account in special loans. It is also proposed that one million units of account of risk capital be equally transferred. Your committee would be interested to know how these amounts have been arrived at.

- (ii) proposal for a Council Decision adapting the Decision of 29 June 1976 on the association of the overseas countries and territories with the European Economic Community.

This measure is designed purely to up-date the list of OCT mentioned in the Council Decision of 29 June 1976 now that the three new members have acceded to the Convention.

- (iii) proposal for a Council Regulation amending Regulations Nos. 1464/76 and 1465/76 on the opening, allocation and administration of Community tariff quotas for rum, arrack and tafia falling within subheading 22.09 C I of the Common Customs Tariff and originating in the ACP States and in the overseas countries and territories associated with the European Economic Community (1976/77).

The new states will automatically benefit under Protocol 7 of the Convention on rum, and at the same time will cease to benefit under Council Regulation No. 1465/76, which regulated the importation of rum from OCT. This affects only Surinam, since it is the only rum exporter. The proposal concerns the tariff quota to be opened for Surinam, which affects the total tariff quota for the ACP States. This was set at 162,013 hectolitres of pure alcohol but now rises to 171,166 hectolitres. The sub quotas for individual Member States of the Community are also affected. The new calculation is based on statistical information on the largest annual quantities imported in the last three years, increased by agreed percentages.

- (iv) recommendation for a Council Decision amending Decision 76/198/EEC on import arrangements for rum, arrack and tafia falling within subheading 22.09 C I of the Common Customs Tariff and originating in the overseas countries and territories associated with the European Economic Community as regards the list of the countries and territories in question.

This proposal simply deletes the names of the countries concerned from the OCT list.

- (v) draft Decision of the ACP/EEC Council of Ministers amending the lists in Articles 24 and 48, paragraph 2 of the Convention.

Article 48 of the Convention lists the countries which shall be eligible for special treatment in the implementation of financial and technical cooperation (least developed ACP States). The proposal is to include the Republic of Seychelles and the Comoro State in this list, which is justifiable on the basis of their present economic situation.

- (vi) draft Declaration of the ACP/EEC Council of Ministers on Article 17, paragraph 4 of the Convention.

The Republic of Seychelles is to be added to the list of special cases referred to in Article 17(4) of the Convention relating to STABEX, and providing that the system shall apply to exports of the products covered irrespective of destination.

OPINION OF THE COMMITTEE ON AGRICULTURE

Letter from the chairman of the committee to Miss C. FLESCH, chairman of the Committee on Development and Cooperation

Brussels, 3 December 1976

Dear Miss Flesch,

At its meeting of 2 and 3 December 1976, the Committee on Agriculture discussed the proposal for a regulation of the Council amending as regards the list of the countries and territories in question Regulation (EEC) No. 706/76 on the arrangements applicable to agricultural products and certain goods resulting from the processing of agricultural products originating in the African, Caribbean and Pacific States or in the overseas countries and territories.

This proposal for a regulation merely draws the logical conclusions from the incontrovertible fact that Surinam, the Seychelles and the Comoros acceded to the Lomé Convention as independent states some months ago.

The decisions taken by the institutions of the Community within the framework of the Lomé Association Agreement are therefore now fully applicable to Surinam, the Seychelles and the Comoros. As a result of their status as ACP countries these states should now no longer be mentioned separately in the annex to Regulation (EEC) No. 706/76, laying down the arrangements for agricultural products and certain goods resulting from the processing of agricultural products originating in the ACP countries or in the overseas countries and territories.

The Committee on Agriculture, therefore, sees no cause to object to the proposed regulation on this matter.¹

(sgd) R. Houdet

Chairman

¹ Present: Mr Houdet, chairman; Mrs Dunwoody, Mr Haase, Mr Hansen, Mr Hughes, Mr Kofoed, Mr Martens, Mr Ney, Mr Rivierez (deputizing for Mr Liogier) and Mr Scott-Hopkins.

OPINION OF THE COMMITTEE ON BUDGETS

Letter from the committee chairman to Miss Colette FLESCHE, chairman of the Committee on Development and Cooperation

Luxembourg, 25 November 1976

Dear Miss Flesch,

The Committee on Budgets has been asked for its opinion on a proposal for a Council regulation 'amending the list of the countries and territories in Regulation (EEC) No. 706/76 on the arrangements applicable to agricultural products and certain goods resulting from the processing of agricultural products originating in the African, Caribbean and Pacific States or in the Overseas Countries and Territories'.

Essentially, the purpose of this proposal is to transfer three former overseas countries or territories (the Comoro Islands, the Seychelles and Surinam) to the list of ACP States as regards the arrangements applicable to trade in agricultural products between the Community and the Associated States belonging to the Lomé Convention. It therefore has no financial implications. It has been approved by the Committee on Budgets.

Yours sincerely,

ERWIN LANGE

Present: Mr Artzinger, acting chairman; Mr Albertini, Lord Bessborough, Mr Brugger, Mr Clerfayt, Mr Früh, Mr Gerlach, Mr Haase, Mr Lautenschlager, Mr Mursch, Mr Suck and Mr Yeats.

Luxembourg
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